



County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
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WILLIAM T FUJIOKA
Chief Executive Officer

July 12, 2013

To: Supervisor Mark Ridley-Thomas, Chairman
Supervisor Gloria Molina
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

HALL OF JUSTICE REPAIR AND REUSE PROJECT (ITEM NO. 79-F, AGENDA OF MAY 14, 2013)

This is in response to the Board's motion on May 14, 2013, directing the Chief Executive Officer to report back in 60 days with a schedule of Sheriff and District Attorney (DA) leases to be terminated which fund the financing payments related to the Hall of Justice Repair and Reuse Project (Project).

This report identifies each lease and its termination date as the departments begin their staff relocation to the facility beginning in late December 2014. The attachment provides a timeline of Project completion and move-in milestones.

Sheriff's Department

The Sheriff will align staff and conduct programs from the Hall of Justice, the Block Headquarters building, STARS Center, County-owned space at: 2020 West Beverly Boulevard, Los Angeles and 1441 Santa Anita Avenue, South El Monte. The following leases will be terminated:

101 Centre Plaza Drive, Monterey Park

- Termination rights started June 17, 2013 with 120 days advance notice
- All staff will be relocated to the Hall of Justice and the Block Headquarters building
- Annual lease savings of \$695,000

1000 South Fremont Avenue, Alhambra

- Termination rights start July 31, 2015
- All staff will be relocated to the Hall of Justice and the Block Headquarters building
- Annual lease savings of \$1,994,000

"To Enrich Lives Through Effective And Caring Service"

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12440 East Imperial Highway, Norwalk

- Termination rights start September 13, 2015 with 90 days advance notice
- The Sheriff will maintain approximately 10,000 square feet at this facility for their Data Center operation
- Balance of staff will be relocated to the Hall of Justice and the Block Headquarters building
- Annual lease savings of \$2,083,000

4900 South Eastern Avenue, City of Commerce

- Termination rights start December 31, 2014 with 120 days advance notice
- All staff will be relocated to the Block Headquarters building and STARS Center
- Annual lease savings of \$1,015,000

2934 East Garvey Avenue, West Covina

- Termination rights start immediate without notice
- All staff will be relocated to the STARS Centers, 2020 West Beverly Boulevard, Los Angeles and 1441 Santa Anita Avenue, South El Monte
- Annual lease savings of \$237,000

The Sheriff will be relocating staff from the Block Headquarters building into the Hall of Justice and training staff from STARS Center into the Biscailuz Regional Training Center. The Sheriff will backfill these two buildings with staff from the above-mentioned leased facilities at: 1000 South Fremont Avenue, Alhambra; 12440 East Imperial Highway, Norwalk; 4900 South Eastern Avenue, City of Commerce; and 2934 East Garvey Avenue, West Covina.

District Attorney

The DA will align staff and conduct programs between the Hall of Justice, the Clara Shortridge Foltz Courthouse (Courthouse), and the County-owned Hall of Records. The following leases will be terminated:

201 North Figueroa Street, Los Angeles

- Termination rights start immediate without notice
- All staff will be relocated to the Hall of Justice
- Annual lease savings of \$2,565,000

3220 Rosemead Boulevard, El Monte

- Termination rights start immediate with 60 days advance notice
- Staff will be relocated to remaining percentage of current DA space at the Hall of Records
- Annual lease savings of \$257,000

Hall of Records

We are reviewing backfill opportunities for the vacated space at the Hall of Records as the DA relocates staff to the Hall of Justice and the Courthouse.

In accordance with the Board approved action on the July 12, 2011, the Alternate Public Defender will backfill the DA space on the 18th Floor at the Courthouse.

Consideration of moving the Chief Executive Office (CEO) staff from leased space at 3333 Wilshire Boulevard and 222 South Hill Street, Los Angeles into vacated space at the Hall of Records that will provide an additional annual lease savings of \$1,210,000.

Total Annual Lease Savings

In accordance with the Board approved action on July 12, 2011, the savings from the terminated space leases listed in this report will provide the primary basis for offsetting the debt service costs for the Project.

The combined annual lease savings from the Sheriff, DA, and CEO lease terminations total is \$10,055,000. These savings will be applied toward the Hall of Justice financing payment costs.

Lease Termination Notification

The CEO Real Estate Division will process lease termination notices as required to each landlord as the Sheriff, DA, and CEO begin the staff relocation process.

Move Management Plan

A movement management plan will be developed with the Sheriff and DA to ensure a smooth transition into the Hall of Justice.

If you have any questions, please contact me or your staff may contact Jan Takata at (213) 974-1360, or via e-mail at jtakata@ceo.lacounty.gov.

WTF:RLR:DJT
DM:MDS:zu

Attachments

c: Executive Office, Board of Supervisors ✓
County Counsel
District Attorney
Sheriff

HALL OF JUSTICE
Lease Termination Timeline
July 12, 2013

	2014								2015								2016											
	1/1/2014	2/1/2014	3/1/2014	4/1/2014	5/1/2014	6/1/2014	7/1/2014	8/1/2014	9/1/2014	10/1/2014	11/1/2014	12/1/2014	1/1/2015	2/1/2015	3/1/2015	4/1/2015	5/1/2015	6/1/2015	7/1/2015	8/1/2015	9/1/2015	10/1/2015	11/1/2015	12/1/2015	1/1/2016	4/1/2016	7/1/2016	12/1/2016
Hall of Justice Completion of Construction Installation of FFE & Data/Comm System Move-In Departments Fully Occupancy																												
The Block Headquarters Building STARS Center Refurbishment Move-In																												
Lease Cancellations Sheriff 101 Centre Plaza Drive 1000 S. Fremont Ave 12440 Imperial Hwy 4900 S. Eastern 2934 E. Garvey District Attorney 201 N. Figueroa 3220 Rosemead Blvd CEO 3333 Wilshire Blvd 222 S. Hill Street																												

Legend:

Complete Move-in & Fully Occupancy *
Lease - partial square footage early cancellation date X
Lease - termination date T

Note:

The 12440 Imperial Highway Lease term is through September 2019 and includes the right to cancel the lease beginning September 2015.
The 4900 S. Eastern Lease term is through December 2016 and includes the right to cancel the lease beginning December 2014.

Hall of Justice Project
Annual Saving for Leases Related to the Hall of Justice Project
July 12, 2013

Department	Address	City	4/30/13 Estimate		7/12/2013 Estimate	
			FY 11-12		FY 14-15	
			Actual Lease Costs		Projected Lease Costs	
Sheriff	101 Centre Plaza Drive	Monterey Park	\$	635,826	\$	694,784
Sheriff	1000 Fremont Avenue	Alhambra		1,824,394		1,993,565
Sheriff	12440 East Imperial Highway	Norwalk		2,804,653		2,082,738
Sheriff	4900 South Eastern Avenue	City of Commerce		928,817		1,014,943
Sheriff	2934 East Garvey Avenue	West Covina		217,028		237,152
Sheriff Annual Lease Total			\$	6,410,718	\$	6,023,182
District Attorney	201 North Figueroa Street	Los Angeles	\$	2,347,064	\$	2,564,700
District Attorney	3220 Rosemead Boulevard	El Monte		234,744		256,511
District Attorney Annual Lease total			\$	2,581,808	\$	2,821,211
Chief Executive Office	3333 Wilshire Boulevard	Los Angeles	\$	423,723	\$	463,014
Chief Executive Office	222 South Hill Street	Los Angeles		683,844		747,255
Chief Executive Office Annual Lease Total			\$	1,107,567	\$	1,210,268
Annual Lease Savings			\$	10,100,093	\$	10,054,662

Note:

4/30/13 Lease costs are FY 11-12 Actual per eCaps Period 13

7/12/13 Projected lease costs are based on FY 11-12 Actuals with a 3% annual escalation factor

Chief Executive Office - Capital Projects
Comparison of Projected Annual Lease Costs to the Hall of Justice Debt Service Payment
7/12/2013

Budget Year	Annual Lease Costs	Net Annual Debt Service	Increase/(Savings)
2015	10,054,662	15,171,201	5,116,539
2016	10,356,302	15,171,800	4,815,498
2017	10,666,991	15,166,022	4,499,031
2018	10,987,001	15,158,574	4,171,573
2019	11,316,611	15,158,897	3,842,286
2020	11,656,109	15,160,007	3,503,898
2021	12,005,792	15,141,122	3,135,330
2022	12,365,966	15,139,640	2,773,674
2023	12,736,945	15,137,067	2,400,122
2024	13,119,053	15,133,569	2,014,516
2025	13,512,625	15,128,020	1,615,395
2026	13,918,004	15,124,646	1,206,642
2027	27,836,007	15,121,169	(12,714,838)
2028	27,836,007	15,117,479	(12,718,528)
2029	27,836,007	15,112,678	(12,723,329)
2030	27,836,007	15,108,786	(12,727,221)
2031	27,836,007	15,103,354	(12,732,653)
2032	15,970,671	15,098,331	(872,340)
2033	16,449,791	15,084,080	(1,365,711)
2034	16,943,285	15,088,008	(1,855,277)
2035	17,451,583	15,082,928	(2,368,655)
2036	17,975,131	15,077,090	(2,898,041)
2037	18,514,385	15,070,609	(3,443,776)
2038	19,069,816	15,065,268	(4,004,548)
2039	19,641,911	15,058,264	(4,583,647)
2040	20,231,168	15,052,737	(5,178,431)
2041	20,838,103	15,046,273	(5,791,830)
Total	464,961,939	408,077,619	(56,884,320)